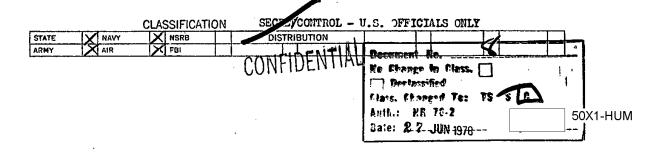
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- 1. The total number of personnel employed at the Riesa steel plant amounts to 5,000.
- 2. There are six Siemens-lartin furnaces, each with a capacity of 100 tons. To increase production, they are always charged with 120 tons. Production during the fourth quarter of 1949 amounted to 65,000 tons. The target set was 56,000 tons. The production of structural iron and containers during the fourth quarter of 1949 amounted to 2,000 tons.
- 3. The rolling rill has reached a total output of 8,000 tons per month. Its caracity is 11,000 tons per month. It is only capable of producing at the moment "U"-sections, steel plate and strips for steel piping. The production of the last items amounts to 1,200 tons per month. Normal P.14 steel is used. Lack of the correct rollers (Walzen) prevents the rolling of round and square steel sections. This shortage of rollers is not likely to be relieved for some time.
- 4. There is a new small section rolling mill supplied by Fa. Schloemann, Düsseldorf, which is expected to commence operation on about 15 March 1950. It will consist of a small mill and a high speed mill which will also roll wire.
- The production of welded tubes is dependent on the output of strips (Rohrstreifen) from the medium rolls. The capacity of the tube mill is 2,000 tons per month, but is limited by the above factor to about 1,200 tons per month. The production of seamless tubes is about 650 tons per month. This mill has been in operation since May 1949. It was formerly used to produce ball-bearing casings. The low level of production is caused partly by the fact that the equipment is badly worn and ill-suited for this task. The second factor affecting output is the small sumply of billets (Knippel) from Unterwellenborn for raw ingots furnished by Riesa. As no stock piling of these billets is allowed, production is held up whenever a train is delayed en route. The output is mainly supplied to railway engine repair shops for use as boiler tubes.



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- 6. Apart from fittings and valves, superheated-steam pipes for locomotives are being produced in a plant specializing invator piping manufacture.
- 7. Plans are going ahead at Riesa for the construction of a new tube mill which will produce 10,000 tons of seamless tubes per month, destined for use as boiler pipes. The seamless tube mill in operation as of February 1950 will then be closed down. Plans for the construction of this mill have been prepared by Fa. Schloemann, Düsseldorf and Fa. Meer at Minchen Ghadbach; the foundations for the new building have already been cleared. No final date for the delivery of the parts from the West is known yet. The steel for the new tube mill will come from a new steel works consisting of six Siemens-Martin furnaces each with a capacity of 60 tons. The furnaces will be built and brought into operation when more crude steel is required.
- The old steel casting plant at Riesa is inadequate and obsolete. Tuyeres are lacking and a lot of steel has to be filled into chill moulds. A new plant is being built on a site at present occupied by slag heaps which are now being removed. In addition the ground at present occupied by the Hammersen spinning mill and a cycle racing track will be taken in by this plant. At resent it is planned to invest DM (Ost) 15,000,000 in this new project. The following furnaces are to be erected on this site:

2	Siemens-Ma	ntin	furnaces	40	tons	capacity	each
2	Ħ	tf	Ħ	25	Ħ	n .	tt
2	Electric-	irc f	urnaces	25	τŧ	tt	11
2	. 11	17	Ħ ·	. 7	ti.	18	tŧ

It is hoped to fire the first Siemens-Martin furnace by autumn 1950. The production of this new plant is destined mainly for engineering works and shipbuilding yards.

9. Total planned output of rolled products for 1950 is 260,000 tons. These are sub-divided as follows:

	1st Quarter 1950	2nd Quarter 1950
Medium rolled items	27,000 tons	27,000 tons
Small rolled items	15,000 tons	15,000 tons

The following figures apply to the last quarter 1949:

<u>Planned</u>		<u>Actual</u>
Iron (section, bar,		•
hoop iron)	16,000 tons	18.000 tons

- 10. The production of rolled products for 1950 given above is to be subsidized to an extent of DM (0st) 130,000,000. Of this, only DM (0st) 70,000,000 will come from State funds. The remainder is to be obtained by raising prices for iron products by adjusting the 1944 stop-prices to be equivalent to the present prices in the West of Germany.
- 11. Present cost prices for Riesa are as follows:

Section iron, iron bars DM (Ost) 10 per ton above 1944 prices.

Crude ingots Same as 1944 prices.

Hoop steel DM (Ost) 40 per ton above 1944 prices.

Tubes, seamless Double 1944 prices.

Tubes, welded Below 1944 prices.

12. The following are the names of leading personalities at the Riesa steel plant:

Manager: Pfrötzschner.

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Technical Manager: List, former manager of the iron works.

Iron Works: Bolt.

Medium rolling mill: Dipl. Ing. Bartel, recently returned from Yugoslavia where he went when the Riesa plant was dismantled in

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